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ABSTRACT

This document is the first in a series of two reports on demand-led strategies to support welfare-to-work clients. The authors believe employment retention programs that demonstrate they can meet the needs of employers for effective employees follow a demand-led approach, which has the potential to expand the opportunities available to welfare recipients and others working toward economic self-sufficiency. Strategies for implementing demand-led retention approaches by local and regional program providers, such as cultivating relationships with employers in order to assess their employee needs, are the focus of the first half of the report. The second half, in the form of three appendices, presents principles of demand-led programs, guidelines for assessing barriers to employment, and case studies of welfare-to-work programs focused on employment outcomes. The document contains seven website resources and 31 references. (AJ)

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Beyond Welfare-to-Work: Helping Low-Income Workers Maintain Their Jobs and Advance in the Workforce

Paper #1: Demand-Led Retention

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Jobs for the Future is a leading innovator in strategies to accelerate education and career advancement for both young people and adults. Jobs for the Future provides research, consulting, and technical assistance on education and workforce development issues to public and private organizations throughout the United States and abroad.

Beyond Welfare-to-Work: Demand-Led Retention, written by Jobs for the Future, is designed to stimulate discussion among policymakers and practitioners implementing programs under the U.S. Department of Labor's Welfare-to-Work Grants Program and the Workforce Investment Act. The paper does not reflect official Department of Labor policy or endorsement.

Introduction.

Demand-Led Approaches to Supporting Welfare-to-Work Clients

The Future @ Work

In summer 2001, the U.S. Department of Labor's Division of Welfare-to-Work asked Jobs for the Future to develop two discussion papers to assist program development and practice in cities that were funded by the department's Welfare-to-Work (WtW) program and that had participated in the department's Future @ Work Initiative. DOL asked Jobs for the Future to describe demand-driven approaches to helping welfare recipients make transitions to the workforce and move beyond poverty to family-supporting jobs. This paper focuses on *retention*: successful, demand-led models for helping new entrants into the workforce maintain employment. The second paper, which will be available in spring 2002, will focus on *advancement*: demand-led strategies for helping individuals advance in their jobs and the labor market.¹

Awareness of the need for up-to-date research on retention and advancement strategies grew out of the Department of Labor's Future @ Work Initiative, which brought together multidisciplinary teams from ten major cities across the United States for five two-day learning meetings in 1999 and 2000. The goal was to develop the capacity of these cities to support the retention and advancement of welfare recipients entering the labor market. The ten cities—selected from twenty applicants—participated at their own expense because they were committed to this goal.

Due to several factors, the participating cities were just becoming concerned about retention rates and strategies as the last of the five meetings were held.² Aware of the cities' strong interest in retention and advancement, the Department of Labor asked Jobs for the Future to prepare these papers as a follow-up to the initiative.

Future @ Work Cities

Ten cities participated in the Future @ Work Initiative: Boston, Chicago, Detroit, Houston, Los Angeles, Minneapolis, New Orleans, New York, Philadelphia, and Seattle. Chicago, Los Angeles, New Orleans, Philadelphia, and Seattle each hosted a learning meeting.

¹ The papers will be published separately and also available as a set.

² These factors include the time it takes to get programs off the ground, the restrictive eligibility requirements of the Welfare-to-Work program, and the hot economy, which had absorbed most welfare recipients who were readily employable,

Demand-Driven Workforce Development

“Demand-driven workforce development” recognizes and meets employers’ workforce needs as a prerequisite to achieving the goal of not just transitioning welfare recipients and other low-income people to the labor market but doing so in ways that individuals can retain their jobs and advance from them. Why? Because obtaining stable employment for a welfare recipient means convincing an employer that she performs a valuable service in the workplace, but welfare recipients (and other low-income people) by definition lack the resources to pay for skills and education. Many also lack workplace experience. As a result, they often don’t know what kinds of skills and behavior are sought by employers with jobs that pay family-supporting wages for entry-level and more advanced positions.

Workforce development has traditionally filled this knowledge and “networking” gap by connecting individual workers to employers needing their skills, but globalization, international competition, technology, and other forces have fueled rapid change in most workplaces. These changes have become so frequent and multi-faceted that workforce development entities have found it difficult to stay informed about the proliferation of new or changed occupations and the new skills those occupations require.

Demand-driven workforce development, then, refers to the fact that employer demand for certain types of workers (those that keep their businesses profitable) drives the labor market. The workers who succeed are those that can meet employers’ demand. Job seekers lacking the attributes in demand are in danger of losing out. And within a given locale, only local employers know what they are looking for, qualifying them a critical advisors to workforce development entities about labor market demand.

Demand-driven workforce development recognizes these developments and accepts that the only way workforce development entities can succeed in their connecting role is to begin seeing and treating employers as customers. Essentially demand-driven workforce development says to employers: “We have no clear idea what an entry-level technology, health care, or call center worker does, and by the time we would learn the details of a particular job, that job would have changed again. We need to learn from you what kinds of workers you seek and what qualifications they need. In return, we’ll help you hire qualified workers.”

It is important to emphasize that demand-driven workforce development does not mean that employers can or should dictate the terms of employment for low-income people. Any given labor market has a wide range of employers, from worker/family-friendly and supportive to single-minded and exploitative. An important role for workforce development entities in demand-driven systems is to seek out and work with the more supportive employers—those who pay decent wages, display good supervisory and other workplace practices, and put

employees on a path to earning family-supporting wages and benefits. See box, “Key Characteristics of Demand-Driven Workforce Development.”

Demand-Driven Workforce Development

- **“Dual customer” focus:** Workforce development should have two “customers”—both the job seekers and underemployed people it seeks to serve and the employers who will hire them. Only when employers’ needs, as well as the needs of low-income people, inform the workforce development system’s activities will low-income clients be well positioned to find, get, keep, and move to self-sufficiency in jobs.
- **New partnerships and working relationships between employment and training providers and local employers:** Reflecting the need to satisfy the workforce development system’s dual customers, this principle underscores the benefits that accrue to both customers through relationships between employers and workforce development institutions. These relationships incorporate employer input into program design, curriculum development and program operation, to name only a few roles.
- **Stimulation of collective action by employers:** Demand-led workforce development systems should be responsive to and influenced by clusters of firms with similar workforce development needs.
- **Coordination of the workforce development system with economic development priorities:** A region’s ability to attract and retain firms and industries is increasingly linked to the presence (or absence) of a skilled labor supply. That is because firms are recognizing that the availability (or lack) of both skilled workers and a strong skill training capacity can be a primary determinant of success or failure. Coordination between workforce development and economic development is essential to ensure that a region has the capacity to identify and respond to employers’ skill needs.

Retention: An Old Problem But a New Program Focus

In workforce development, the term “retention” refers to the length of time a person stays in a job—either a particular job or, more generally, in employment. Many programs that place low-income people in jobs are learning that “retention” is an often-elusive goal, yet its importance to TANF recipients is obvious: in the new world of welfare reform, they no longer have a safety-net alternative to supporting their families through jobs.

Only recently has long-term retention become an explicit goal of workforce development policy at the federal, state, or local levels. For most of the past 40 years, job placement was the focus of programs and policies aimed at increasing the labor market participation of low-income people. Beginning with the 1960s War on Poverty and its employment and training efforts, the primary program strategies were job search and, in some cases, vocational training. While some participants encountered problems retaining the jobs in which they were placed, few programs developed strategies to maintain contact with their old clients,

much less provide services that would help them maintain a job after the initial placement.

This emphasis continued into the mid-1990s in the two primary funding sources for employment and training: the Job Training Partnership Act (JTPA) of the U.S. Department of Labor and the JOBS program of the U.S. Department of Health and Human Services. Both programs funded “up-front” services (e.g., training, basic education, job placement) for their respective target populations: welfare recipients and low-income men, women, and youth. Funding formulas were based on “per placement” payments, rewarding low-cost placements and driving program resources toward the task of securing job placements—and away from the development of programs or expertise that could help clients, particularly those with significant barriers to employment, retain their jobs.

As a result, very few workforce development programs gained experience in or capacity to deliver retention support. Here are two simple examples.

- Program providers organized services to address the needs of unemployed people who were seeking work or engaged in training, and they generally made these services available between 9 a.m. and 5 p.m. Similarly, staff expertise lay in working with clients but not with employers, because none of the clients were employed. In contrast, retention services means serving employed people, a population that is usually working between 9 a.m. and 5 p.m., and staff who want to learn how clients are faring must learn how to operate successfully in a workplace context.
- Private Industry Councils and other administrative entities similarly focused on job placement. When they prepared the RFPs that would define the services to be provided, they specified placement services but not retention services. Technical assistance concentrated on issues such as short-term labor market demand, not factors that support or hinder job retention.

Retention and the Welfare-to-Work Program

This focus on placement began to change with welfare reform in 1996 and the passage of Personal Responsibility and Work Opportunity Reconciliation Act. Initially, welfare reform’s “work-first” orientation led states to continue directing their resources toward placing welfare recipients in jobs as quickly as possible. As time went on, however, interest shifted. Emerging research began indicating that many former welfare recipients were not achieving economic self-sufficiency through simple job placement strategies. Researchers and advocates pointed out that a significant portion of the remaining TANF caseload had one or more characteristics that placed them at serious disadvantage in a competitive labor market—low levels of education and literacy, for example.

Congress responded in 1997 by funding the Welfare-to-Work Initiative for the purpose of helping welfare recipients with the most barriers to employment achieve economic self-sufficiency through jobs. It directed that the program targeted only welfare recipients with at least two of three at-risk factors: long-term welfare receipt, substance abuse, and lack of high school diploma or GED. The Department of Labor's implementing regulation identified retention and advancement as keys to economic self-sufficiency. In fact, the department required programs to spend the bulk of their funds on activities rendered after placing the client in a job.

Many large cities responded eagerly to the challenge. Some had already pushed the limits of allowable workforce development activity under JTPA and wanted flexible resources that would allow them to seek out their "hardest-to-serve" residents and provide a continuum of services that stretched well beyond job placement. They took advantage of WtW resources to implement a variety of program designs, launching a creative period in urban workforce development. A primary lesson learned from these innovations is that retention of the very hard to serve—let alone their advancement—is not easy. The Boston Private Industry Council, for example, had estimated that one year of follow-up case management support would be enough to help its clients achieve stable employment, but it later extended the follow-up period to two years, based on the evidence of its own program operators.

All the Future @ Work sites believed that employer engagement was a key component of improving retention, but they quickly discovered that it too is difficult to achieve. A number of their employer initiatives appeared to falter during the two years of the Future @ Work, reinforcing the perception that further research and learning on demand-drive retention approaches would be welcomed.

Using this Report

The primary customers for the two Jobs for the Future papers commissioned by the U.S. Department of Labor are the Workforce Investment Boards responsible for the WtW programs in the participating cities, as well as the WIB's direct service providers and other entities concerned with retention and advancement.³

³ The legislation authorizing the creation of the Welfare to Work Initiative directed that formula funds be allocated to the responsible regional workforce development entities except under certain circumstances. During the life of the Future @ Work Initiative, the Workforce Investment Act was implemented, and responsibility passed from PICs (authorized by the preceding legislation, the Job Training Partnership Act) to WIBs. Nine of the ten teams participating in Future @ Work were led by their workforce development entity; in one, New York City, the TANF agency (the Human Resources Authority) was the lead.

In most localities, the WIB is responsible for oversight, governance, and policy-setting, but it does not run programs. Rather, contractors and subgrants provide direct program workforce development services to welfare recipients.⁴ Reflecting that division of responsibilities, this paper has two parts.

Section I is directed at WIBs (and other workforce development intermediaries) and focuses on the roles they generally play. It makes some assumptions about the structure and role of Workforce Investment Boards and other workforce development intermediaries:

- WIBs have more “clout” than local service providers. Their boards are likely to include influential employers whose collective insights and influence can be harnessed for high-priority goals (higher retention/lower turnover, for example) in ways that can make the system more demand-driven.⁵
- WIBs are responsible for workforce development regions comprising numerous service providers on the “supply side” and employers on the “demand side.” Consequently, WIBs can play important intermediary roles that link employers to providers around issues such as retention.
- It is more efficient to funnel information about demand-driven retention innovations through WIBs than trying to reach numerous small providers.

Based on these assumptions, Section One shapes its lessons to address WIBs acting as an intermediary. By contrast, Section Two assumes that lessons about direct service strategies are more relevant for service providers.⁶ It addresses ways that their services can be more demand-driven. (This section will also be useful to WIBs as they develop requests for proposals, provide technical assistance, and engage in other mechanisms for shaping their relations with contractors.)

The lessons in Section II are organized around the typical categories of service delivery:

- Employer engagement,
- Client assessment, and

⁴ In each city, one or more of the following types of organizations provides direct workforce development services to welfare recipients through the WtW program: One-Stops, community-based organizations, faith-based organizations, non-profits; and for-profits.

⁵ By law, employers must form a majority of the board members.

⁶ A WIB might find Section Two relevant for making decisions about technical assistance and RFP requirements.

- Placement and retention.

As its first step in preparing this paper, Jobs for the Future interviewed staff at the Future @ Work sites.⁷ We asked them to discuss the major retention-related problems they and their clients were encountering. Our informants identified several broad categories of issues that this paper addresses:

- How can WIBs and program providers engage employers?
- What kinds of assessment are relevant to WtW programs?
- What promising strategies were emerging that could be implemented by direct service providers?

⁷ Jobs for the Future interviewed at least one workforce development/WtW staff person in Boston, Chicago, Houston, Minneapolis, New Orleans, and Seattle.

Section I.

Shaping a Demand-Driven Approach: Roles Workforce Investment Boards Can Play

Organizing Program Providers to Promote Demand-Driven Approaches

Many program providers are, by the nature of their mission, structure, and location, quite distant from the world of work. Staff and board members rarely have private-sector experience in general or, more specifically, in any of the industries or occupations where clients will seek jobs. Organizational practice rarely reflects workplace or industry practice. Concrete information about particular jobs is often out of date. For these organizations, “demand-driven” workforce development is a serious challenge.

An example comes from the local director of a major trade association, who had been working with community-based organizations to recruit immigrants into training and jobs in her field. She was dismayed by these CBOs’ practice, which was generally protective of their clients, even paternalistic, in ways that she believed ultimately jeopardized clients’ workforce opportunities. For example, staff from CBOs serving immigrants always accompanied individual applicants to the job interview, to provide translation and support. Moreover, in her industry, prospective workers had to appear independent, capable of receiving instruction and carrying them out on their own. By providing translation and other support in the presence of a hiring manager, the CBOs were undermining their own clients’ opportunities—but she felt that her explanation fell on deaf ears, and CBO practice did not change (Washington Electronics Association interview).

Fortunately, there has been a flowering of entrepreneurial service providers whose experiences and strategies provide examples for local providers (see Section II). WIBs that want to inject demand-driven approaches into programs in their region can work collectively with employers (“organize them”) in various ways:

- Use the WIB’s credibility with employers to connect them to providers who would not otherwise make those connections.
- Restructure the WIB’s RFPs to require and pay for demand-driven strategies.
- Provide technical assistance to providers on demand-driven approaches.

One example comes from the Boston Private Industry Council, which pairs local providers with a major employer for WtW through an RFP process. Successful bidders agree to provide a full gamut of services to clients for jobs with that one employer, from pre-employment training to post-employment support. The

employer specifies the skills and other characteristics it looks for in entry-level employees, which become the basis of the pre-employment curriculum. Successful completers are guaranteed jobs. Employers are comfortable making this guarantee because their input shapes the selection and training content. They benefit from better matches up front, as well as from two years of case management support for new employees. All of this helps decrease expensive turnover.

The Seattle Jobs Initiative approached the same task somewhat differently. When SJI learned that its participants' retention rates were unacceptably low, it asked the 11 community-based organizations providing recruitment and placement services about their retention practices. SJI soon learned that these practices were far from demand-driven. Each organization used a different standard for determining work readiness, and none based this on employer input. Even though employers had been promised post-placement support for SJI participants, few CBOs did anything beyond their usual practice of follow-up phone calls at a few points after employment.

After a great deal of thinking and consultation, SJI dramatically changed its relationship with the CBOs in the following year. It rewrote its RFP to request specific approaches and services—especially common work-readiness standards and post-placement case management. In particular, these CBOs had to be able to provide assistance for several problems that were disrupting employees' attendance—homelessness, domestic violence, and substance abuse. It also revised its payment structure to pay for those services. Only four CBOs responded to the RFP that year—all of whom were funded. Since then, SJI has worked closely with staff from those four CBOs to develop what it calls case management standards. The standards provide the participating CBOs and their staff with guidelines for essential interactions with clients and their employers.

Under the umbrella of developing standards, SJI has provided the cooperating CBOs with significant technical assistance that none of them could have obtained with their own resources. This TA has taken several forms: access to research about national best practice; consultation with local and national experts on key issues; and closer connections with city and county agencies providing essential services, such as substance abuse treatment—all steps that local employers had identified as essential. Since SJI started working collaboratively with these CBOs, its retention rates have improved dramatically (Hanna interview; Summerfield interview).

Convening Employers to Identify Demand-Driven Practices and Developing Supports for Them

There's power in numbers, and one important role that WIBs can play is to bring together employers with similar interests to promote particular goals. Employer consortia organized for the purpose of training new employees, or upgrading the

skills of current employees, have been around for some time. There has been less focus on organizing employers to help improve retention. But examples are beginning to emerge.

Not surprisingly, examples of transportation assistance appeared fairly early. It's an easy jump for a group of employers in a single location—an industry park, for example—to realize that many of their employees have poor timeliness/attendance records for the same reason: lack of reliable public transportation.

In West Columbus, Ohio, The Fashion Center, a sorting, tagging and distribution facility for clothing sold by Sears, was finding it difficult to hire welfare recipients because few had cars and the business was not served by public transit. The closest bus stop was two to three miles away and there was no direct route from East Columbus, where many of welfare recipients live, to West Columbus. To solve this problem, the Greater Columbus Chamber of Commerce organized a meeting between Sears and five other businesses in West Columbus (Eddie Bauer, Hills, Miejer, UPS, and Consolidated Stores—KayBee Toys, Odd Lots, and Big Lots) and the Central Ohio Transit Authority (COTA). The businesses asked COTA to run a crosstown bus from East Columbus to West Columbus. In return, they agreed to guarantee that COTA would receive revenue for 40 passengers each way for one year, whether or not the seats were filled. The bus route has been in operation since January 1998. None of the companies has had to pay for unfilled seats: there were enough riders from the start. The bus route runs for both first and second shifts and picks people up at the St. Stephen's Community Center in East Columbus, which is in walking distance for the welfare recipients hired by the West Columbus companies. Moreover, there is a childcare facility at St. Stephen's, making it convenient for parents to drop their children off at the childcare center and then travel to work.

Another example comes from an industry with a widely identified retention problem for a particular occupation—certified nursing assistants in health care. In Holyoke, Massachusetts, the Chamber of Commerce plays an active role in the regional WIB and in workforce development in general. A few years ago, it brought together a number of health care providers who were complaining loudly about their inability to keep CNAs on the job. The Chamber helped most of the participating employers to realize that their own internal practices (pay, promotion, supervision, lack of training) lay at the heart of their retention problem. With the Chamber in the lead, they applied for and received a large grant from the Commonwealth of Massachusetts to improve internal training and supervision of CNAs. The training resulted in better pay for CNAs, as they were able to demonstrate additional skills and abilities (Holyoke Chamber of Commerce interview).

In Denver, the Mayor's Office of Workforce Development, which oversees Denver's One-Stops, is moving toward a dual-customer focus to better link its providers with employer partners. According to executive director Shepard Nevel,

- MOWD is taking a sectoral approach and has hired employer specialists in different industries. To integrate their workforce development services, new employee specialists are no longer assigned to specific funding streams, and all staff cover a wider population of people and provide a wider scope of services. Staff in the past had been divided into operations specific to one funding stream. Now all staff can access multiple funding streams to serve their job-seeking customers (Nevel interview).

Organizing Public Sector and Other Services

One frequently heard complaint from employers is that they don't want to be responsible for their employees' non-work-related problems. They want ready-to-work applicants. Employers who use the public sector to get applicants believe that the public sector should be responsible for helping clients resolve problems that will interfere with work performance.

Public-sector services come in often-impenetrable "silos." The supports that low-income people often need to succeed in their jobs are administered separately in often-conflicting ways that make access difficult: transportation, health care and mental health care, low-cost and emergency housing, substance abuse treatment, domestic abuse services, and adult education, to name just a few. Most direct service providers are themselves too small (or represent too small a "market") to leverage changes in large public agencies. WIBs and other intermediaries, however, have a better chance. WIBs, for example, are by definition regional within a state, control the disposition of significant financial resources, and often have influential employers on their Boards whose workforce development needs the WIB is responsible for promoting.

In Philadelphia, for example, the Private Industry Council used its clout to promote retention in two ways. One was to open a direct line of access to mental health services for its clients, many of whom needed such help to get and keep jobs. Full-time staff were hired to direct a Welfare-to-Work Initiatives unit that was established in the Behavioral Health System. These staff worked to facilitate linkages between Greater Philadelphia Works and the behavioral health system by overseeing and promoting training, program implementation and other collaborative efforts. The Welfare-to-Work Initiatives unit works with Community Behavioral Health to coordinate treatment referrals from GPW's regional centers. The unit also works with women's drug treatment programs and the city's Base Service Units (community mental health centers) to develop and coordinate working relationship with the GPW vendors. Further, GPW hired three behavioral health staff members at each of their regional centers. These employees provide services similar to an Employee Assistance Program model, such as crisis intervention, escorting customers to outside appointments, and educational workshops on behavioral health and related issues like domestic violence or sexual abuse. All three of these GPW employees are available to other staff members in the regional centers for training and consultation on behavioral

health issues. Staff from GPW and the Behavioral Health System are cross-trained to improve their service coordination and better understand how they can adjust to the needs of newly employed TANF recipients.

A second way the Philadelphia PIC used its clout to promote retention was to help clients get access to new clothes as an incentive for staying on their new jobs. It worked like this: Philadelphia developed a widely recognized incentive point system to reward clients for work and encourage them to pursue training and skill upgrades. Clients start earning points after 30 days of work by successfully keeping a job, completing training, getting promoted, obtaining raises, or passing GED exams, which can be spent at the "Greater Philadelphia Works Mall." Supported by a modest grant from GPW and generous donations from numerous clothiers, including the Fashion Bug chain, the mall has the look and feel of a real retail store and offers adult and children's clothing, accessories, toys, and school and office supplies. "Our idea was for clients to accumulate points fast after the first 30 days so there was an incentive to keep their momentum going, to keep going to that job and keep looking for a better one," states a GPW representative. Over 300 clients have redeemed points, cashing them in for more than 4,000 clothing items.

In summary, there are three general ways that Workforce Investment Boards can use their regional position and influence to promote the retention of WtW clients in a demand-led approach. One is to "organize" their funded service providers—to connect them to employers, to develop standards across programs, to strengthen and improve practice. A second is to convene employers in the region. Individual employers with problems of high turnover often don't know what steps they can take to reduce those rates. But when a WIB brings them together with other employers suffering from the same problem, it can help employers devise solutions they will support. Finally, WIBs can reach out to other public sector agencies and programs relevant to low-wage workers and promote coordination among them in ways that benefit WtW clients.

Section II.

Restructuring Services: Demand-Driven Approaches for Providers

Section II has three parts:

- *Employer engagement:* This part addresses the frequently asked question, “How can we do it better?” It presents a number of promising strategies developed by entrepreneurial providers around the country.
- *Assessment:* As one result of welfare reform, workforce development offices are seeing job seekers with serious and unfamiliar (to workforce development specialists) barriers to employment. Demand-driven workforce development providers are learning how to identify various these barriers and determine which can be accommodated in workplaces and which require treatment prior to employment.
- *The delivery of placement and retention services:* How can these services be more demand-driven?

Engaging Employers: An Overview

Offer concrete benefits to the employer.

Programs with successful business partnerships market their services to employers by focusing on the concrete benefits for them. The Wisconsin Regional Training Partnership is an innovative workforce development organization that recruits employers and unions to become members of the organization. The WRTP works to identify industry, employer, and worker needs and to respond by finding resources to make it easier for members to recruit, retain, and advance their workers. Additionally, it helps employers to identify good training and social service partners and to modernize their facilities. The partnership facilitates opportunities for employers and unions to learn from each other to determine the best way to work together. According to employers, WRTP has saved them thousands of dollars per placement. Some have reduced turnover by 70 percent. Still others find that their attendance has increased by 50 percent (Berth interview).

When Towards Employment of Cleveland initiated its pilot program, it contacted businesses in industries with very high rates of turnover among entry-level, unskilled employees. Employers with such workforces frequently are aware that a range of social issues affects their employees’ abilities to stay on the job but have little knowledge or capacity to address these issues (Ellis interview).

Rocky Mountain SER, a Denver-based education and employment services provider, adds an additional service to increase employer interest. While

recruiting employers, it not only makes them aware of available tax credits, it actually processes the tax credits for them. Many employers have expressed frustration with the paperwork involved in public programs and find that such a service has enormous value, while also increasing their interest in participation with public-sector programs (Roybal interview).

Supervisors are essential—don't ignore them.

Many providers reaching out to employers initially receive enthusiastic support from upper management and human resource staff, only to be met with skepticism and even hostility from direct-line supervisors. To address the concerns of these supervisors, some programs offer supervisor training that focuses on the issues confronting entry-level employees, and they provide supervisors with concrete ways to resolve problems. Many providers use *Working it Out*, a training curriculum for case managers and supervisors created by the Denver Workforce Initiative.

Similarly, at Mazel Stores, a wholesale outlet warehouse in Cleveland, skeptical supervisors became enthusiastic about the training offered by the Towards Employment retention program. The training builds supervisors' awareness of the issues that may interfere with employee performance and offers them a resource to address them. (Mazur interview).

A provider in Milwaukee that places clients in the printing industry found, after conducting a needs assessment among supervisors, that many had risen through the ranks without ever getting formal supervisory training. Rather than providing training in the specific issues facing participants of the Welfare-to-Work program, this service provider offered basic supervisory training, covering such issues as giving timely feedback, setting clear expectations, and conducting performance reviews. Supervisors are pleased to be receiving training that improves their skills to manage all their employees, not only those referred by particular programs, and they welcome the involvement of the provider in helping to manage personnel issues (Campbell interview).

The YWCA in Milwaukee is another example of an employment retention program in which relationships with supervisors have been critical. The YWCA provides post-placement retention services to hundreds of graduates of training programs, some operated by the YWCA and some operated by training partners. When a single employer hires many training graduates, the YWCA sets up on-site support for those new employees. One such employer is Wal-Mart, where the YWCA has placed 20 graduates. Before working with employees, the YWCA first works with the supervisors—offering training sessions and holding discussions to listen to their problems. With knowledge of supervisors' concerns, the YWCA then meets with employees to understand their perspective on the problems. The supervisors know they can count on YWCA staff to help intervene

to provide support, build the soft skills of new employees, and connect them with outside services if a problem at home interferes with their ability to do the job.⁸ The YWCA's on-site staff are available to assist all Wal-Mart's employees, not just graduates of YWCA programs, another service that supervisors appreciate and upon which they rely (Garland interview).

Involve employers in program design and implementation.

Two models developed by Towards Employment of Cleveland demonstrate the need to involve employers in program design and implementation. Towards Employment, which developed a pilot retention program with private and public funds, targeted two groups for recruitment. In the first group were entry-level incumbent workers in industries with high turnover. Towards Employment recruited them by contacting their employers, who provided space and time for recruitment and provided services at the worksite. Recruitment at the worksite worked extremely well, with eighty-five employees participating at five worksites. The second group was comprised of participants of the county welfare-to-work program, whom Towards Employment case workers contacted by phone. Efforts to contact and recruit people from the county program were extremely difficult, yielding only six participants.

By first offering services to employers, Towards Employment could effectively recruit employees at risk of job loss, and with the assistance of the employers, develop a program model that became popular with all employees and their supervisors.

Towards Employment successfully recruited participants by offering luncheon seminars on a wide range of topics including negotiating and buying a car, child care, and understanding income taxes.⁹ The seminars quickly became popular, and many employees availed themselves of Towards Employment's individual counseling services (Ellis interview).

Recruit employers from among existing contacts.

Many programs, asked how they initially recruited employers, said they used previously established personal contacts, such as through one of their own board or staff members or current employer partners. Using these connections to recruit new employers is frequently the first way programs develop employer partnerships. Once a track record is developed with these employers, it becomes

⁸ Soft skills refer to the employee's motivation and personality and include such characteristics such the ability to work effectively with co-workers, respond to the boss, and relate to customers.

⁹ Toward Employment offered on-site assistance with taxes, including helping employees access the Earned Income Tax Credit.

easier to recruit additional employers—for example, by disseminating marketing materials.

This was the experience of Wildcat Service Corporation, a non-profit social service agency in New York City. In 1995, Wildcat worked with a professional recruiter (Drake, Beam, Morin) to design what became the Private Industry Partnership, a demand-driven placement service for welfare clients. Wildcat proposed itself to potential employers as an employment service, not as a welfare-to-work program. At first, potential employers did not see Wildcat in this new light. Moreover, they felt that the nonprofit's welfare orientation would prevent it from delivering such a service. Then Drake, Beam, Morin introduced Wildcat's new service to Solomon Smith Barney, one of the recruiter's clients. Wildcat's well-trained "welfare" placements exceeded SSB's expectations, enabling Wildcat to use the financial firm's testimonials to market the program successfully (Schlefer 1999).

Crittenton Hastings House, a non-profit organization in Boston that contracts with the city to provide welfare-to-work retention services, recently approached the bank where it does business and proposed providing advancement training for incumbent, entry-level workers. By approaching an employer familiar with its services, Crittenton Hastings House could develop trust more quickly and secure a commitment to develop a program and seek funding together (Andrews interview).

Recruit from civic organizations.

Many smaller employers show a commitment to their communities by participating in the Chamber of Commerce, Rotary Club, local charities, or other civic organization. These employers may be more likely than others to participate in welfare-to-work and other efforts to improve the economic prospects of low-income community residents, suggests Gwyn Clemens of Hygienic, Inc. Hygienic has been involved in welfare-to-work and similar efforts since it opened in 1991. Prior to teaming up with the county social service office for referrals and support services, Hygienic's president set out to provide opportunities to disadvantaged members of the community, and the firm's committed production manager also acted as an informal case manager, helping new employees locate child care and providing transportation when necessary (Clemens interview).

Assessment

Assess employers, not just clients.

It is virtually impossible to assess the job readiness of clients without having a clear sense of the requirements of the jobs they will hold. What kinds of skills do the jobs require? What kind of personal characteristics would lead one to

succeed in these types of work? What is the workplace culture and environment? A careful assessment of the job and workplace, as well as the participant, will help lead to job placements in which a new employee can function well and succeed.

Equally important is an assessment of the job's retention potential. Research of the employment outcomes of former welfare recipients has found that the characteristics of a welfare-to-work participant's initial employment were stronger indicators of employment retention than personal characteristics. In particular, better wages and benefits were highly associated with longevity in employment. For instance, in a study by the Mathematica Policy Research, Inc., those who earned less than \$8.00 per hour had considerably shorter median employment lengths than did those with hourly wages of more than \$8.00 (Rangarajan, Schochet, and Chu 1998).

In this light, employment retention programs should carefully assess employers and their jobs. To begin, interviews with employers can yield information regarding the personal, basic, and vocational skills required for each job. The first criteria established by many employers concern a worker's ability to function in the workplace. These criteria resemble the "workplace basics" developed by the SCANS Commission a decade ago: the abilities to show up for work on time, follow simple instructions, work with peers, communicate effectively, and so on. Beyond these basic skills, employers may need assistance in carefully evaluating what skills a particular job requires.

The Wisconsin Regional Training Partnership works closely with employers to define as specifically as possible the skills necessary for each job. WRTP has found that employers may initially look for skills that are not actually necessary to perform a job well. According to Director Rhandi Berth, "Improving the match is just educating the employer on how to best determine what they need. . . . We have to help some of the employers understand they will not get brain surgeons for burger-flipper wages." Sometimes, Berth adds, the process leads them to raise wages to get the kind of workers they want (Berth interview).

In addition to interviewing employers, program staff can find ways to develop a hands-on sense of job requirements. In developing a program in partnership with UPS, the program developer for Highbridge Community Life Center in New York City actually worked in the entry-level jobs in which clients would be placed, as package handlers and delivery truck drivers. Based on his experience, the training program he designed includes a week that begins at 4:00 a.m. each day—because new employees are assigned to the early morning shift—as well as an exercise program run by an endurance coach and a fast-paced, loud environment (Jobs for the Future 2000).

Assess participants' barriers to employment.

The statutory mandate that the WtW Initiative serve the "hard to serve" highlighted a number of issues concerning the role of assessment in relation to retention. In the hot economy of the late 1990s, programs often found placement much easier than previously, regardless of clients' barriers. Keeping people on the job, however, was another matter.

Like the WtW legislation, most programs identified substance abuse as a serious problem. Their program experience pointed out additional issues, some of which were also described in the WtW legislation: serious mental health problems, homelessness or a lack of stable housing, criminal records, domestic abuse, chronic health problems, learning disabilities, and lack of English proficiency and/or basic English literacy. Each of these factors can potentially render a new employee unable to meet employers' bottom-line standards, such as carrying out basic assignments and putting in eight uninterrupted hours.

Almost by definition, WtW clients were at risk of failing one or both of these standards. To qualify for programs funded by the WtW Initiative, participants had to meet two out of three criteria: long-term receipt of welfare, low education levels, and involvement with substance abuse or other practices that interfere with the ability to work. While a subsequent amendment to the Welfare-to-Work legislation has relaxed these criteria, many individuals remaining in the welfare "pool" from which sites recruit have these and other serious barriers to employment.

Many programs and policy experts have found that it is much harder than originally anticipated to place people with multiple barriers in jobs. One reason, frequently cited by practitioners in interviews and at conferences, is the widespread incidence of serious asthma among the children of WtW participants (and welfare recipients in general). Combined with poor access to quality medical care (and transportation to get to medical care), this means that the parents of children with asthma have especially pressing demands on their time and attention at work. Often the result is absences, late arrivals, and early departures—just the kind of disruption employers dislike.

The ability to identify participants with such barriers and refer them for assistance is essential in the demand-led approach and if employers are to see programs as a reliable source of workers. Failure to identify participants with serious barriers to employment can undermine employers' faith in the program and the people a program refers for work. As a rule, such experiences are equally harmful for participants, sapping already fragile self-confidence.

Identifying barriers to employment early in the process helps programs redirect individuals with the most serious barriers to services prior to placement. In other cases, social service needs may not preclude job placement but still necessitate

having services in place to help new employees address personal and family needs, ensuring this need do not interfere with job performance.

In a demand-led system, employment retention programs could use their knowledge of employment barriers to expand the services they offer employers. Many employers and their human resource departments struggle with how best to maintain and improve the worker productivity in light of employees' many personal challenges. Be they mental health issues, domestic violence, a breakdown in child care arrangements, children's illnesses, or children's troubles at school, employers know all too well the issues that interfere with employee performance. Nonetheless, many employers feel limited in their ability to deal with these problems.

Employment retention programs focusing on the employer as customer can meet the needs of employers facing these dilemmas. For example, working closely with human resource departments, they can assist with referrals to a wide range of social service programs. They can also help develop policies, such as flex-time and "cafeteria" benefit plans, that provide parents and others with the time necessary to address personal and family obligations while meeting work responsibilities. And they can provide in-house support to former welfare and non-welfare recipients alike.

Such employer services build support from employers. They also enhance the retention of program participants by providing on-site services in a manner that becomes integrated into the company's human resource practices as a whole, rather than establishing a separate system that segregates program participants from other employees.

One way in which an employment retention program can offer a particularly valuable service to an employer is identifying and addressing the needs of the whole family. As many program staff and employers have come to recognize, the problems of other members of an employee's family can have just as debilitating an effect on a person's ability to do the job. A program that integrates a family assessment into its work is the YWCA of Milwaukee. For example, the YWCA works to determine whether a family member is struggling with alcohol or drug abuse, or whether a child has frequent brushes with the police, requiring parents to be at court. When such issues arise, YWCA staff work to connect the family member to needed services that can help to resolve a situation with a minimum of work disruption (Renner interview).

Delivering Placement and Retention Services

A demand-led approach to employment retention services views employers and participants equally as customers. Programs developed with a dual-customer focus use information gained from employers to inform all aspects of program design and to enhance services that aid retention for program participants. When

designed with this orientation, program services benefit both participants and employers.

How can programs maintain a dual-customer focus as they work to address the needs of their participants? This section makes recommendations for providers of direct services; it will also be useful to Future @ Work cities as they develop requests for proposals and assist providers in developing a demand-led approach.

A great deal of recent literature exploring the success of welfare-to-work programs suggests that those that are most successful are designed to meet the needs of specific employers. First and foremost, employment retention programs need to identify a “market” for their participants. Highly successful programs first seek employers in need of workers, approaching employers much as a for-profit placement service would, with an offer to produce workers with the necessary skills to do the job. In addition, programs are more successful at promoting employment retention when they offer a combination of pre- and post-placement services.

The following practices are central to the design of demand-led pre-and post-employment services:

Design pre-employment services in collaboration with employers to ensure that participants are developing the skills needed for the job.

Training Inc., an office-skills program of the YMCA of Boston, uses a classroom that simulates the office environment, with as curriculum drawn from actual workplace scenarios. The classroom and curriculum were designed by one of Training Inc.’s major employer partners (Bengal interview).

Conduct pre-employment services with the same high expectations as the workplace for punctuality, attendance, and effort.

Here, too, employers are the best source of information regarding the nature of the workplace that participants will enter. As described earlier, one program developer took the extra step of researching the workplace environment on his own, working in several entry-level jobs in which participants would be placed to gain a deeper understanding of the demands of the job. Offering pre-employment services in a workplace-like environment will better prepare participants for what they can expect on the job, enhancing the likelihood the participants will retain employment and that the program can help uncover personal issues that may interfere with successful employment if not resolved.

Hire staff and structure positions with an employment orientation.

Staff hired to provide retention services must possess a set of special skills. They need extensive knowledge of available support services in the community (e.g., childcare, mental health services) and must be comfortable operating in a business environment and building relationships with employers and supervisors.

The Printing Connections program of the Graphic Arts Institute of Milwaukee offers training and post-placement support to women on welfare and other “non-traditional” workers in the printing industry. It has found greater cooperation from employers and new employees when the title “case manager” was changed to “retention specialist,” emphasizing the goal of improving an employee’s work skills, rather than providing social services. Printing Connections hired staff who had knowledge of the printing industry and could provide support regarding workplace issues in addition to social service needs (Campbell interview).

When Wildcat Services Corporation launched its Private Industry Partnership, the shift toward viewing employers as customers required a real change in culture among staff. Most important was a change in the way to measure success. Staff had to realize that the primary goal for clients was getting and keeping a job. For example, training instructors had typically measured success by how many clients graduated from their classes with an A. They had to realize that if employers were dissatisfied, the training had not succeeded despite the high grade. And satisfied employers indicated success, despite a low grade. Case managers, similarly, had to see that success did not simply mean solving client problems with child care and other matters; it meant solving problems efficiently so clients would not miss work and lose their jobs. In general, Wildcat staff needed to view employers, no less than welfare clients, as customers—indeed, as customers who often require higher, if different, “maintenance” than welfare recipients (Schlefer 1999).

In some cases, it can be difficult to find staff with the breadth of knowledge and experience required to link clients with an extensive array of services *and* help them to navigate the culture of the workplace. Recognizing that some case managers had tremendous social service skills but lacked workplace savvy, the YWCA of Milwaukee developed a team approach. Keith Garland describes it using a medical analogy: “The case managers are like the general practitioners. When a complicated workplace issue arises, they call in our retention specialist for a consultation. When a complicated social service issue arises, such as a mental health problem, they call in our clinical consultant” (Garland interview).

Standards for Employment Retention Staff in a Demand-Led Context¹⁰

- Experience in the private sector
- Experience supervising or counseling similar workers in entry-level jobs
- Knowledge of mediation, career planning and development, job search, and retention
- Knowledge of community resources
- Expertise in social issues including domestic violence, substance abuse, anger management, parenting, and other relevant psychosocial areas
- Ability to recognize deeper issues where real obstacles and strengths exist and assist participants in removing barriers and building on strengths
- The ability to assess participants' strengths as well as barriers
- Problem-solving and communication skills
- Ability to discuss difficult issues, such as family problems, addiction, discrimination, or destructive personal habits
- A positive non-judgmental attitude
- Willingness to work flexible, non-standard hours (including evenings)
- Backgrounds similar to participants can be helpful
- Bachelors Degree and case management experience desired, ideally a Masters degree in psychology, counseling, or social work

Provide services that increase soft skills, entry-level job skills, and life skills.

Research to determine those most likely to remain employed shows that soft skills, including communication skills and an understanding of workplace culture, are highly associated with job retention. These are also the skills that employers say they value most in new employees. Employers are confident they can teach the concrete tasks required for the job, but they recognize that these so-called "soft skills" are most important for success and most difficult for them to address. Programs that can build these essential skills in entry-level workers bring real value to employers.

Develop an array of post-placement services that can be tailored to the needs of each participant and employer customer.

Typical post-placement services of demand-led, employment retention programs include:

- Assistance in accessing child care, transportation, and housing;

¹⁰ Adapted from Barnhart and Weller 1999.

- Counseling and support to resolve personal and workplace conflicts;
- Supervisor support and employee/supervisor mediation;
- Budgeting and contingency planning;
- Service referrals (including assistance accessing substance abuse, physical abuse, and mental health services);
- Resolution of benefit issues;
- Support service payments for work-related emergencies;
- Assistance with development of human resources policies and services;
- Information on the EITC and other tax issues;
- Career- and life-planning classes and workshops;
- Development of employer-led advancement programs;
- Information sharing through newsletters or other vehicles; and
- Re-employment and job search assistance

Establish early relationships with supervisors.

Employment retention staff in demand-led programs work closely with supervisors during the pre-employment period to elicit as much information as possible regarding the specific requirements of the job. After participants are placed, a supervisor who already has a relationship with program staff can better appreciate the role they can play in managing problems that come up for the participant on the job (Wilder interview.)

Offer frequent contact to participants and employers, particularly in the early weeks of employment.

Vocational Foundation, Inc., a New York City non-profit organization, follows a very specific process during the first week a participant is placed in a new job, including a phone call to the participant the night before the first day of work. VFI staff also call the participant after the first day of work and the supervisor within the first week. VFI staff are available to participants and supervisors by beeper for crisis intervention at all hours of the day or night. Following the initial weeks on the job, contact generally diminishes to slightly over once a month on average. Contact is made in person, over the phone, and through written communications, such as letters, post cards, and newsletters (Proscio and Elliott 2000).

Find ways to offer services that are equally accessible and valuable to participants and managers.

The YWCA in Milwaukee and Towards Employment in Cleveland both offer services at the workplace, sometimes meeting with employees during their breaks or at lunchtime. When supervisors see that the assistance employees receive helps with job performance, they do not view employees' meeting time with program staff as a disruption. In fact, many supervisors appreciate having on-site assistance and use the "office hours" established by program staff as a time to help address issues they see (Garland interview). Program staff are particularly welcomed on site when their services are available to all employees (Mazur interview).

Provide services to participants in a manner that recognizes the time constraints of full-time workers with children.

Off-site meetings can be important when program participants have time-consuming support needs or when they have concerns about confidentiality. Yet even participants who want assistance can find it difficult to meet with program staff, given the constraints imposed by work and family. Vocational Foundation, Inc. employs a "business lunch" strategy in which staff take participants out to lunch, allowing the client to fit program services into a work schedule and using the attraction of a free meal to maintain participants' interest in program participation (Proscio and Elliott 2000).

Facilitate information and strategies for accessing services and income supports provided through other administrative entities and funding streams.

One of the main functions that employment retention staff can perform for participants is helping them connect to essential services and income supports for building economic stability. Working closely with employers, these services can be made available to all low-income employees, improving retention for the employers' entire workforce. As mentioned previously, jobs paying higher-than-average wages are much more likely to result in greater retention. Employment retention staff should work closely with employers and human resource staff to set up systems that help employees access all available benefits to supplement their incomes.

These benefits include:

- **Childcare subsidies.** Employment retention staff recognize that child care is essential for participants—and for the success of almost any low-income worker. Close relationships with employers can help ensure that program participants and other employees get time off to secure vouchers, often a daytime task. Employers who are educated about such systems view the time given to employees as an investment in long-term retention.

- **Food stamps.** Former welfare recipients and other low-income workers currently under-utilize food stamps, yet these benefits can offer a critical income supplement and help promote retention by aiding the health of workers and their children.
- **Housing subsidies.** More homeless people are working than ever before. The instability created by homelessness, or near homelessness, often undermines the efforts of these workers to stay on the job. Working to establish stable housing arrangements is a critical task for employment retention staff.
- **Earned Income Tax Credit:** Working closely with employers can ensure that participants and all employees who qualify for it can take advantage of the federal EITC, which provides low- and moderate-income families with a tax credit for wages earned. Some programs have worked with employers to develop workplace-based income tax services to increase employee use of the EITC. Some states offer EITC augmentations that make it available to very low-income families.¹¹
- **Health Care:** Some smaller employers do not offer health benefits and appreciate help from employment retention programs in accessing state help for their employees. Relevant programs include Children's Health Insurance Program, which has reduced the number of low-income children without health care.¹² Medicaid may be a possibility for adults in states that have expanded Medicaid coverage to families with incomes up to 200 percent of the poverty line.¹³
- **Transportation:** In many parts of the country, many good jobs are difficult if not impossible to reach by public transportation, and the cost of private transportation can undermine retention. One potential remedy is TANF: states can use TANF funds to subsidize transportation costs, and this can include assistance with the purchase of a car. Employment retention programs can also help employers access TANF and other funds to support "paratransit" systems, such as van pools for employees.
- **TANF Cash Benefits:** Income disregards in all but eight states ensure that welfare recipients have greater income from work than from public

¹¹ Sixteen states have adopted their own EITCs to augment the federal EITC; ten states and the District of Columbia have refundable EITCs, enabling very low-income families to benefit when the amount of the credit exceeds their tax bill. The states with refundable EITCs are: Colorado, Kansas, Maryland, Massachusetts, Minnesota, New Jersey, New York, Oklahoma, Vermont, and Wisconsin. Illinois, Iowa, Maine, Oregon, and Rhode Island have a non-refundable EITC.

¹² Unfortunately, CHIP leaves many low-income adults uninsured.

¹³ These are Wisconsin, Connecticut, Rhode Island, New York, California, Missouri, and the District of Columbia.

assistance. In most states, individuals remain eligible for assistance until their income surpasses 75 percent of poverty. Seven states allow recipients to earn up to 100 percent of poverty before becoming ineligible for assistance. Only Minnesota combines disregards with other wage supplements by allowing working recipients to receive assistance until their income reaches 140 percent of poverty (Clymer, Roberts, and Strawn 2000).

Help employers establish on-site mentoring programs, which are an important source of internal support to augment the external support of employment retention staff.

According to a study of 500 member firms of the Welfare-to-Work Partnership, mentoring has a major impact on performance, retention, absenteeism, and monetary savings for companies with active mentoring programs (Prince 1999).

The Wisconsin Regional Training Partnership recruits and trains mentors from its member businesses to “show a new employee the ropes” and help them feel welcome on the job. Some of these mentors are also trained as “attendance coaches” that have helped employers establish “positive discipline” techniques, such as earning points or a second “last chance” if an employee goes to an attendance workshops (Berth interview).

Conclusion

Employment retention programs that develop a demand-led approach have the potential to dramatically expand the opportunities available to welfare recipients and others working toward economic self-sufficiency. Programs that demonstrate that they can meet the needs of employers for effective employees are in a powerful position to create avenues of advancement for low-income people.

This report looks at two strategies for implementing demand-led retention approaches. One approach concerns program providers. Long used to working intensively with low-income clients (“supply-side”), many providers have lacked the resources and inclination to connect with employers (the “demand side”). As a consequence, they have been unable to learn about employers’ workforce needs and to cultivate relationships with employers that will benefit their clients. Entrepreneurial providers around the U.S., however, are experimenting with a broad range of innovative strategies that are presented in this report for program providers to consider. By adopting these approaches, WFD providers would be transforming themselves into demand-led organizations.

The second approach concerns WIBs and the roles they can play to promote demand-led retention strategies. One important role is to help program providers learn about and adopt demand-driven approaches that benefit employers *and* help their clients retain their jobs. WIBs are also potentially in a position to tackle region-level challenges that are beyond the scope of most program providers and outside the workforce development “system.” One challenge concerns regional employers who have already or may in the future hire WtW clients. Many of them have similar problems such as high turnover rates that WIBs could help address in ways that would benefit WtW participants.

Another challenge concerns the many public sector agencies or “silos” whose benefits are essential for WtW clients such as child-care, housing, and domestic abuse services, but which are difficult for working people to access. WIBs, as regional workforce development administrators, are much better positioned to promote coordination among these agencies than are individual clients or programs.

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Appendix A

“Demand-Led” Principles of Workforce Development: Retention and Advancement¹⁴

Six principles characterize a “Demand-led” workforce development approach.

- **“Dual customer” focus:** Workforce development should have two “customers”—both the job seekers and underemployed people it seeks to serve and the employers who will hire them. Only when employers’ needs, as well as the needs of low-income people, inform the workforce development system’s activities will low-income clients be well positioned to find, get, keep, and move to self-sufficiency in jobs.
- **New partnerships and working relationships between employment and training providers and local employers:** Reflecting the need to satisfy the workforce development system’s dual customers, this principle underscores the benefits that accrue to both customers through relationships between employers and workforce development institutions. These relationships incorporate employer input into program design, curriculum development and program operation, to name only a few roles.
- **Stimulation of collective action by employers:** Demand-led workforce development systems should be responsive to and influenced by clusters of firms with similar workforce development needs.
- **Coordination of the workforce development system with economic development priorities:** A region’s ability to attract and retain firms and industries is increasingly linked to the presence (or absence) of a skilled labor supply. That is because firms are recognizing that the availability (or lack) of both skilled workers and a strong skill training capacity can be a primary determinant of success or failure. Coordination between workforce development and economic development is essential to ensure that a region has the capacity to identify and respond to employers’ skill needs.
- **Emphasis on upgrading the skills of incumbent workers:** Moving workers into entry-level jobs, while important, is not sufficient to meeting all of the skill and labor needs faced by employers. Helping incumbent workers to advance by upgrading their skills satisfies jointly held goals of the system’s dual customers—raising worker wages and improving overall productivity.
- **Work-centered training and skill development:** By more creatively integrating work and learning, incumbent workers can pursue learning while expanding their skills on the job. This practice contributes to a demand-led workforce development system by increasing opportunities for

¹⁴ Principles taken from Kazis and Seltzer, 2001.

skill upgrading and advancement of incumbent workers and meeting employers' need for "just-in-time" skill development.

Appendix B.

Guidelines for Assessing Barriers to Employment¹⁵

Assessment is one specific service that employment retention programs can offer employers, and it is an essential part of pre-placement services for program participants. While relatively little research has been done on this topic, successful employment programs have developed assessment processes and guidelines that can help identify a range of barriers.

Programs with high retention rates have developed an assessment process that begins with a screening and continues with more in-depth assessments throughout the course of the program. An initial screening can identify those in most need of support services, but it is often unreliable: it relies on self-disclosure. Consequently, after the program has begun, it can be helpful to follow up with an in-depth assessment conducted by people with clinical expertise. Conducting such assessments a number of weeks into the program can be especially useful, after participants have had opportunities to build trusting relationships.

Such a process—a preliminary assessment followed by in-depth assessments—can also be offered at the workplace for any employee identified by an employer to be at risk of job loss. It is important to note that some barriers, such as substance abuse, may require clinical expertise that program staff are unlikely to possess.

Drawing on information from the employer about the nature of the workplace can help with the assessment process: when the pre-employment portion of a program is structured with the same attendance requirements, hours, and tasks as the actual workplace, it can help identify those with underlying issues that pose challenges to meeting the demands of work. This practice may increase the likelihood of identifying issues that would otherwise only surface after a participant begins a job. As Keith Garland, Director of Operations for the YWCA of Milwaukee, puts it, “People are changing their lives dramatically when they take on a new job after never having worked or having worked very little. The additional stress is bound to bring up issues, requiring more coping skills and social skills than the participant may have.”

The following guidelines can help programs and their employer partners establish pre- and post-placement assessment practices:

- **Substance abuse.** Employment program and human resource staff do not need to know how to diagnose addiction, but they do need basic information so they can identify a potential problem, and they need to know where to refer individuals for further assessment. Programs can hire

¹⁵ Summarized from Brown, 2001.

specialized staff to do this assessment, bring staff on site from other agencies, or develop a partnership with an outside agency to conduct the assessments off site. Programs can also assist human resource departments to develop similar partnerships.

Employment programs and substance abuse experts generally do not recommend universal, up-front drug testing of welfare recipients. Such tests are costly, identify only recent use, do not distinguish between drug use that is a barrier to work and use that is not, and do not uncover use of legal drugs. Tests also set up an adversarial relationship between participants and program staff.

- **Domestic Violence.** Reaching victims of domestic violence first requires voluntary disclosure. To promote disclosure, programs should provide information to all participants and employees about support services and options available to victims of domestic violence. Program staff as well as supervisors should attempt to build trusting relationships with participants and employees so they are comfortable reporting abuse. At the workplace, program staff can bring in domestic violence experts to train supervisors in recognizing symptoms and approaching employees suspected of being abused.
- **Physical disabilities and chronic health problems.** Individuals should be screened when they first enter a program. In some cases, employers will require that new employees undergo a physical evaluation prior to beginning employment. The screening can be a full exam or as simple as asking about any serious or chronic health problems that would interfere with the ability to participate in the program or to work. Individuals responding in the affirmative are generally required to get medical documentation, either from their own physician or from a physician contracted by the program. Employment retention staff can provide a useful service to employers by helping them determine the physical demands of a job and what accommodations can reasonably be made in cases of employees with disabilities. To help in this process the employment retention program should draw on the expertise of community programs focused on issues involving the Americans with Disabilities Act. Programs should also have in place clear confidentiality rules related to disclosure of health problems.

Medical assessments conducted during the pre-employment phase should specify the nature of the problem and the ways in which it might impact employment. They should differentiate between health problems that limit the ability to work or the type of job an individual can do and those that make an individual unable to work. Employment retention programs typically suggest that individuals who appear to have severe health problems apply for federal Supplemental Security Income benefits.

- ***Depression and other mental health problems.*** It is important that employment retention programs and their employer customers establish formal mechanisms to identify and diagnose mental health problems, which can easily be misinterpreted as motivational or behavioral problems. In general, employment program staff will play a role only in the initial identification of individuals who may have mental health problems. A full evaluation should be done by clinically training professionals. If mental health issues surface after a participant begins the job, employment retention staff can assist employers and their human resource departments by linking employees with mental health clinicians for assessment and treatment. Once an assessment has been made, mental health professionals should work in partnership with employment staff to understand the nature of the diagnosis and the recommended treatment and determine its impact on employment.
- ***Criminal records.*** Employment programs should be aware of participants' criminal histories in order to better assist them in finding jobs. Programs can ask about criminal records directly or bring the subject up in the context of job search activities.

Programs can also help participants by providing information on what jobs are closed to individuals with certain types of convictions and what occupations or employers are most open to hiring individuals with criminal records.

- ***Very low basic skills and learning disabilities.*** By helping employers' determine what level of skill specific jobs require, employment retention staff can help translate the results of participants' tests into information employers can use regarding hiring decisions. Various assessment tools are available for measuring basic skills. Education and employment programs commonly use these four:
 - *Test of Adult Basic English Work-Related Foundation Skills:* Available from TB/McGraw-Hill, TABE-WF assesses skills in four areas: adult reading, mathematics, language, and problem-solving.
 - *Secretary's Commission on Achieving Necessary Skills:* Available from the U.S. Department of Labor, SCANS assesses workplace competencies (such as interpersonal, information, and technology skills) and foundation skills (such as basic and thinking skills).
 - *Equipped for the Future:* Available from the National Institute for Literacy, EFF assesses skills in four areas: lifelong learning, decision-making, interpersonal skills, and communication.

- *Job Literacy Skills:* Available from the Center for Skills Enhancement, Job Literacy Skills assesses skills in eight areas, including quantitative skills, following directions, decision-making and communication.

These tests do not identify learning disabilities. Individuals who test very low on basic skills should be further screening for learning disabilities. Available tools and evaluation assistance can be found through the National Adult Literacy and Learning Disabilities Center.

Appendix C

A Review of Recent Welfare-to-Work Studies Focused on Employment Outcomes

When interviewed for this paper, a number of staff members at Future @ Work sites asked how successful retention is typically defined. Do common definitions of success look at retention in a first job placement or labor market participation in general? In addition, the interviewees sought a better understanding of acceptable and desirable retention rates.

The following review of nine recent studies of welfare-to-work programs can provide insight and guidance to Future @ Work sites as they seek to improve retention outcomes and develop systems to measure progress. The nine studies are:

- Project Match;
- Minnesota Family Impendence Program;
- Pennsylvania GAPS initiative;
- Los Angeles Jobs-First GAINS Program;
- Annie E. Casey Foundation JOBS Initiative;
- Pennsylvania Community Solutions Initiative;
- U.S. Department of Health and Human Services Assistant Secretary for Planning and Evaluation Leavers Studies;
- National Evaluation of Welfare-to-Work Strategies; and
- Post-Employment Services Demonstration.

The studies, which focus on employment-related outcomes, include national, multi-site demonstration projects and smaller studies of individual state or local welfare-to-work programs. Each focused on the outcomes of former welfare recipients. They looked at the impact of various program models on several outcomes, not all related to employment retention. The discussion below reviews the aspect of each study focused on employment and retention outcomes.

In addition, most of these studies describe outcomes of participants but do not compare outcomes to goals established by individual programs or state policy. Nonetheless, comparing the outcomes in each study may provide Future @ Work sites with a basis for assessing their own success. It should be noted that there are significant differences among the nine studies, including the programs in which subjects participated, the methodologies used, the state policy context in

which the programs operated, and the characteristics of each sample. These differences may complicate efforts to compare data.

The chart that follows summarizes the characteristics, methodologies, and retention outcomes of each study.

Some of these studies also focus on implementation issues and comment on the impact of various programmatic elements. These studies may be instructive for Future @ Work sites looking for additional assistance in program development beyond what is offered by this paper.

Definitions of Retention

Most of the studies included in this review focused on a range of outcomes for participants moving from welfare into employment. Outcomes commonly used to measure retention include labor market participation, as measured by quarterly employment rates.

In general, these studies define retention in terms of overall attachment to the labor market, rather than successful retention in a single job. Many studies, including Project Match, NEWWS, and the HHS Leavers Studies, note that cycling in and out of jobs is common among new entrants to the workforce and does not in itself indicate that those participants will never reach self-sufficiency. To determine the likelihood that participants will eventually become economically self-sufficient, these studies attempt to measure spells of employment and the gaps between employment. Participants who move toward longer employment spells and shorter employment gaps are viewed as moving toward self-sufficiency.

It should be noted that many of these studies use unemployment data while others use participant surveys and/or case-note review to measure employment outcomes. In many cases employment rates using survey data are somewhat higher. One explanation for the difference between UI and survey data is that UI data does not capture certain agricultural and federal workers, those who work in a state other than their state of residence, and those who work as domestic help or other “under the table” positions for employers who do not pay employment benefits. In addition, UI data only indicate the quarters in which participants worked but provide no information regarding the number of weeks worked in each quarter or hours per week.

Each study defined successful employment in slightly different terms. Not all studies measured the retention of individuals in the labor market. In addition to “employment spells,” a frequently used measure of retention, common employment measures used by the studies include:

- Percent who ever worked during study period;

- Percent who worked in first and last quarters; and
- Total number of quarters worked.

Study Summaries and Outcomes

Project Match

This study provides three-five year longitudinal data on participants of Project Match, a case management-intensive welfare-to-work program in Chicago. Project Match is frequently cited for its early emphasis on post-employment case management. It also works with participants through many job changes and views cycling in and out of jobs as a natural part of the transition to self-sufficiency. The study, conducted by the Erikson Institute, does not test program impact in that it is not an experimental design with a comparison or control group.

Project Match measures the progress of its participants in terms of “work spells” and intervals between jobs. A work spell may be one job, or it may be more than one job if a participant moves onto another job within a month. Project Match defines success in terms of longer spells of employment and shorter gaps between jobs.

Outcomes: Employment Spells

Steady-employment pathways (36 percent of participants):

- 1) Quick-start subgroup: Working 90 percent of the time after program entry to end of study (five years).
- 2) Slow-start: one or more work spells during the time of the program and equaling a substantial portion of that time.

Unsteady Employment (41 percent of participants):

- 1) Improved over time subgroup (14 percent of participants). Worked at least 20 percent or more in second portion of follow-up period than in first.
- 2) Stayed-the-same-over-time (15 percent of participants). Did not work at least 20 percent more from the first half of follow-up to second, nor did they work less.
- 3) Worsened over time (12 percent of participants). Worked at least 20 percent less in second half of follow-up than first half.

Low/No-Employment Pathways (23 percent of participants): Worked less than 25 percent of the time after program entry.

Minnesota Family Independence Program

The Minnesota Family Independence Program was the subject of a study conducted by Manpower Demonstration Research Corporation. The goals of MFIP are to increase employment, decrease poverty, and decrease welfare dependency. MDRC notes in its final report that MFIP achieved remarkable success in attaining the first two goals and, to a certain extent, the third. MFIP's noteworthy programmatic feature is its high earnings disregard, allowing new entrants to the workforce to maintain a higher proportion of their welfare benefits than in many other states. This increased the work incentive and helped lift those new workers out of poverty. MFIP had no time limits at the time of the study but required participation in employment-related services.

MFIP was also the subject of a study by the Wilder Research Center, funded by the McKnight Foundation. In 1997, the foundation provided grants to fund local partnerships to help welfare recipients succeed under MFIP. Each partnership, which included government agencies, nonprofit providers, businesses, faith-based groups, and others, was to develop a flexible mix of support services to supplement services available through the state program. The Wilder study is based on case studies and interviews with employers, partnership members, and participants. It does not explore outcome data related to employment retention but offers instructive information regarding program implementation issues and their impact on overall family well-being.

Outcomes:

Employment rates in quarters 1 and 10: Among single-parent, long-term recipients studied, 30 percent were employed in quarter one of the study, and 55 percent were employed in quarter 10. On average, MFIP participants worked 49.9 percent each quarter.

Employment Spells: More people in the program group than the control group stayed employed for 12 months. (No more specific data is available on that measure.)

The GAPS Initiative

The GAPS initiative was developed by the Pittsburgh Foundation in collaboration with the Allegheny County Assistance Office of the Pennsylvania Department of Public Welfare. Between 1997 and 2000, GAPS provided case management and other support services to employed Allegheny County welfare recipients. The GAPS study was conducted by Mathematica Policy Research, Inc.

The GAPS study looks at the impact of case management services on employment outcomes, using surveys of participants, staff logs, and welfare data. Retention was a key employment outcome measured. GAPS retention outcomes are higher than many other studies. Mathematica attributes the higher

rates of retention to the fact that many GAPS participants had been employed for several months prior to becoming involved in program services and had made it beyond the early months of employment when job entrants are at highest risk of leaving or losing their jobs. GAPS participants also tended to be less advantaged than welfare recipients in other national studies. The GAPS study offers extensive discussion of the types of services offered and participants' experiences of them, which may be useful to Future @ Work sites.

Outcomes

Employment rate: 80 percent of participants worked during the first 18 months

Employment spells: 50 percent worked continuously during 18 month period

Employment gaps: Many of those that became unemployed were re-employed very quickly: 20 percent within one month and 36 percent within 3 months.

Los Angeles County Jobs-First GAIN

Los Angeles County Jobs-First GAIN operated from 1995 to 1998 and tested the employment impact of a employment-focused, mandatory, welfare-to-work program. It was studied over two years by Manpower Demonstration Research Corporation.

LA County Jobs-First GAIN was found to produce substantial increases in employment, employment stability, and earnings and reductions in welfare expenditures compared to a control group. The study provides detailed analysis of implementation issues and specific services provided.

Outcomes:

Employment rate: 67 percent of experimental group members, compared with 58 percent of control group members, worked at some point during the two-year period. They worked an average of 3.26 out of 8 quarters.

Earnings: On average, their earnings increased \$800 per year over control group earnings.

Employment spells: The first spell lasted four or more quarters for 32 percent of participants.

Retention in one job: 44.4 percent of participants had only one job; 23.4 percent had two or more jobs; 13.8 percent worked full-time at least 13 months at their first job; 12.1 percent worked at two or more jobs and achieved an increase in hourly wages between first and most recent jobs.

Annie E. Casey Jobs Initiative

Established in 1995, the Jobs Initiative is a five-site project to build workforce development systems that place low-income individuals in well-paying jobs with potential for advancement. The initiative is being evaluated by Abt Associates.

The Jobs Initiative has established job retention as one of its primary goals, and it uses an innovative, rigorous measurement system. Retention is measured at three-, six-, and twelve-month intervals (with some sites also measuring nine-month retention). The Jobs Initiative data collection system gathers information on the number of weeks worked during each interval.

Outcomes:

Employment rates: 46 percent of participants placed in first year

Employment spells (retention in labor force in steady or improving jobs in Casey's terms): 76 percent retained employment for 3 months; 62.9 percent employed for 6 months; 50.7 percent employed for 12 months.

Pennsylvania Community Solutions Initiative

The Community Solutions Initiative, a program offered by Pennsylvania through contract with 70 service providers, operated between 1998 and 2001. It was designed to provide TANF participants with job placement and employment retention services. The program was evaluated by Mathematica Policy Research, Inc.

Through the Community Solutions Initiative, TANF recipients received a range of pre- and post-employment services designed to help them find and retain employment. Mathematica's study compares program outcomes to goals established by the state and enforced through a performance-based contract system. Service providers fell considerably short of state goals.

Outcomes:

Employment placement rate: 44 percent of enrollees, compared to goal of 65 percent.

Employment spell (retention in labor market, with only 7 days between jobs): 11 percent of those placed achieved 12-month retention.

ASPE Leavers Studies

The U.S. Department of Health and Human Services Office of the Assistant Secretary for Planning and Evaluation funded ten states and three large counties to study a range of outcomes for individuals who have left welfare and their

families. These localities include Arizona; Washington D.C.; Florida; Georgia; Illinois; Massachusetts; Missouri; New York; Washington; Wisconsin; Cuyahoga County, Ohio; and Los Angeles, San Mateo, Santa Cruz, and Santa Clara Counties, California. A January 2001 report by the Urban Institute offers a synthesis of eleven sites participating in the study.

As with the report on Project Match, the Urban Institute's synthesis of the leavers studies notes that most leavers do not remain steadily in one job. All leavers studies use unemployment insurance data to measure quarterly workforce participation and earnings. In addition, five studies used surveys to supplement the information available through UI. Success is defined in terms of the number of quarters worked and earnings in those quarters. The studies cite two outcomes: those who worked at least one quarter, and those who worked all four quarters.

Outcomes:

Employment rate: 70 percent of each sample worked at least one quarter; 40 percent worked all four quarters in the first year; employment rates during the first quarter ranged from 47 percent in Los Angeles to 69 percent in Georgia; rates of those who had ever worked ranged from 67-75 percent

Earnings: Most of these worked fulltime at \$7 to \$8 per hour

National Evaluation of Welfare-to-Work Strategies

The National Evaluation of Welfare-to-Work Strategies (NEWWS) study, conducted by MDRC under contract with U.S. Department Health and Human Services, examines ten programs in six sites: Atlanta, Georgia; Columbus, Ohio; Detroit and Grand Rapids, Michigan; Portland, Oregon; and Riverside, California. Four programs were employment-focused, encouraging rapid entry into the labor market. Among these, Portland's program showed greatest flexibility, allowing some skill-building activity pre-employment depending on needs of enrollees and targeted jobs paying above minimum wage and offering potential for advancement. Six programs were education-focused and sought to increase skills and credentials prior to work.

The NEWWS study compares employment experiences of program members and looks at the relative impacts of the employment vs. education-focused programs. One goal of NEWWS programs is stable employment, defined in short and long-terms. The study defines success in terms of short-term stability, defined as a first spell of employment that lasts four or more quarters.

Among the studies reviewed, the NEWWS offers the greatest analysis of the impact on employment of different types of programs. NEWWS found that employment-focused programs achieved greater impact on employment and earnings, in general, than education-focused programs. The greatest impact on

employment and earnings was found in Portland's employment-focused program. It differed from the other employment-focused programs in that it allowed certain participants to enter skills-building activities prior to employment and urged participants to find jobs with higher wages, rather than urging entrance into any job.

Outcomes:

Employment rate: 80 percent of those participating in employment-focused programs and 74 percent of those participating in education-focused programs worked for pay at some point during years 1-4.

Employment spells: On average, 35 percent of participants in education-focused programs and 37 percent of participants in employment-focused programs achieved short-term stability (first employment spell lasting four or more quarters.)

Post Employment Services Demonstration

The Post-Employment Services Demonstration (PESD) was conducted by Mathematica Policy Research, Inc., under contract with the Administration for Children and Families, U.S. Department of Health and Human Services. It is the first study to focus on case management services to promote job retention among newly employed welfare recipients. The study included four sites that operated demonstration programs under grants from ACF: Chicago, Illinois; Portland, Oregon; Riverside, California; and San Antonio, Texas.

Using UI data, the PESD study measured the employment impact of post-placement case management services. While its outcomes were higher than those of other national studies, the employment rates for program participants of the PESD programs differed little from those of control groups. The study attributes the relatively high rates of employment to the fact that the sample and control groups were already working upon entrance, and to the strong economy and plentiful jobs at the time the study was conducted.

Despite the fact that PESD had little effect on employment and earnings, the analysis by Mathematica regarding the reasons why are instructive for Future @ Work sites working to improve their post-employment case management services. These issues are discussed in a later section.

Outcomes:

Employment rates: participants were employed between 59 percent and 78 percent of the time during demonstration period.

Sources for Literature Review

The studies reviewed above were identified through a scan of Web sites of major research institutes, U.S. government agencies, foundations, and nationally known programs focused on workforce development and welfare reform. These Web sites include:

Mathematica Policy Research, Inc., www.Mathematica-mpr.com

Manpower Demonstration Research Corporation, www.mdrc.org

National Governor's Association, www.nga.org

Urban Institute, www.urban.org

Administration for Children and Families, www.acf.hhs.gov

McKnight Foundation, www.mcknight.org

Project Match/Erikson Institute, www.pmatch.org

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Summary: Recent Studies of Welfare-to-Work Programs

Program	Employment-related Outcomes	How measured	Control or comparison group	Members of sample	Program Type Studied and Services Offered	Relevant Retention Data	Relevant Policies
Project Match	Position Wage Schedule Start/end dates (employment or program)	Monthly survey	No	Participants of Project Match b/t who had stayed with program at least 36 months	Mixed education and work. Some longer periods of ed. prior to work. Intensive case mgmt. Pre and post-employment	55 percent lost or quit jobs in 6 months 71 percent left w/in 1 year Av: 5 jobs during 5 year follow-up period 36 percent: steady employment pathway 23 percent: low/no employment pathway 12 percent unsteady pathway, getting worse over time 15 percent unsteady staying same over time 14 percent unsteady, improving over time	No time limits; no work requirement; voluntary program participation
MFIP/ MDRC study	Employment, earnings, reduction in poverty	UI data	Yes	Random assignment to program or control groups.	Mandatory employment services participation.	Sample was employed 49.9 percent on average in each quarter. 30 percent of single parent, long-term recipients were employed in quarter 1, increasing to 55 percent in quarter 10.	No time limits; Mandatory participation.
GAPS Initiative	Employment, self-sufficiency. Participant-reported barriers to self-sufficiency	Surveys; Administrative welfare data; case logs	No	Current and former TANF recipients already working	Post-employment case management	Participants employed 80 percent of the time during 18 mo. period. 50 percent employed continuously. Reemployment: 20 percent within one month; 39 percent within three months.	Time-limits; work or work activity requirement. Voluntary participation in GAPS case management.
Los Angeles Job-First GAINS	Employment stability and wage growth; Income and self-sufficiency	UI data Client survey	Yes	Randomly assigned TANF recipients	Intensive job search Case management	67.2 percent of participants were employed at some time during 2 yr. period. 44.9 percent were employed in last quarter. First employment spell lasted 4 or more quarters for 32 percent.	Time-limits; mandatory work requirement
AECF JOBS Initiative	Employment, retention, advancement	Case logs	No	Enrollees of Jobs Initiative sites	Pre- and post-placement skills building and case management	46 percent placed in employment during one year. 3, 6 and 12 month labor force retention rates 76 percent, 62.9 and 50.7, respectively	Some subject to time limits, depending on welfare receipt and state located.
PA Community Solutions Initiative	Employment and retention	Program surveys	No	Enrollees of program	Pre- and post-placement skills building and case management	44 percent placed (compared to 65 percent goal); 11 percent achieved 12-month retention goal	voluntary
HHS 1998 Leavers Studies	Employment per quarter Earnings per quarter Benefits (for 5 out of 11 states using survey data)	Some surveys; UI data for employ. And earnings. Most 1 yr. data	No	Off welfare for 2 months	Unknown; not described in study	70 percent worked at least 1 quarter 35-40 percent worked all 4 quarters in first year.	State policies across 11 sites varied; all had time welfare time limits

NEWWS Studies	Employment/ earnings per quarter and over course of study	UI data	Yes	Welfare recipients randomly assigned	Pre-employment services: compares outcomes for employment-focused, education-focused and mixed programs (no post-employment)	20-40 percent achieved stable, short-term employment (work in all four quarters of first year).	No time limits; mandatory participation
PESD	Employment, earnings and reliance on AFDC and food stamps	UI data	Yes	Randomly selected welfare recipients who had recently entered employment.	Post-employment case management services	Sample was employed between 59 percent and 78 percent of two-year period. Employment rates during the first quarter ranged from 70 – 80 percent, and fell to 55-80 percent during the eighth quarter.	Time limits; mandatory participation



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